



**SBA Supporting and Encouraging Economic
 Development Through Entrepreneurship**
 August, 2004



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**SBA Breaks All-Time
 Loan Record**
SBA Loans through July '04

U.S. Small Business
 Administration
 Administrator Hector V.
 Barreto recently
 announced that, with
 almost two full months
 still remaining in the Agency's
 fiscal year, the SBA has already backed more
 loans in its 7(a) and 504 programs than ever
 before in its 51-year history. This
 accomplishment holds true in the Cleveland
 District Office, as well.



The July numbers for the Cleveland District
 Office are in!!! July marked the beginning of
 our fourth quarter, with our fiscal year 2004
 ending on September 30th. With just over a
 month to go, we need your help making a final
 push to maximize total loan production! The
 more loans we do, the more **you** can help
 provide additional access to capital for small
 businesses in your communities which will
 help improve Ohio's economy and spur the
 state's economic recovery. **1,500** total loans
 remains within reach, but we cannot reach this
 goal without our partners in the lending
 community.

Our Top Lenders are:

<u>Institution</u>	<u>No. of Loans</u>	<u>July Approvals</u>
National City Bank	252	31
Sky Bank	101	16
Bank One	100	8
U.S. Bank	84	9
KeyBank	74	12
FirstMerit Bank	72	9
Capital One	62	6
Huntington Bank	57	3

Certified Development Companies (CDCs)
 help deliver SBA's 504 loan program for fixed
 asset financing. The CDCs have worked
 extremely hard to make this another "Year of
 the 504" loan, and their efforts have brought
 about a record number of 504 loan approvals
 in FY '04.

**504 approvals by CDC through the month
 of July are:**

<u>CDC</u>	<u>No. of 504 Loans</u>	<u>July Appr'ls</u>
Cascade Capital Corp.	22	3
Growth Capital Corp.	19	
Stark Development	14	3
Lake County	11	
Mentor Economic	8	3
Mahoning Valley	7	
Ohio Statewide	5	1
Lucas County	4	

KeyBank is the highest private-sector
 participant in the 504 program, participating in
 14 projects. FirstMerit Bank is the second
 highest 504 program lender, participating in
 13 504 projects so far this fiscal year.

**Keep up the great work Lenders &
 CDCs!**

WANTED: National Small Business Week Nominees

In recognition of the small business community's contribution to the American economy, the President of the United States designates one week each year as National Small Business Week. As part of this special week, SBA presents awards to deserving entrepreneurs and small business advocates at the district, state and national levels. We are already beginning our preparations for Small Business Week '05, but we need your help making the week a success! We are seeking nominees for the awards that will be distributed during Small Business Week.



If you know of someone deserving of consideration for these prestigious awards, please contact Jim Donato at (216) 522-4180, ext. 215. Jim can provide details of the nomination process. We hope to accept applications for various award categories, including Small Business Person of the Year, Small Business Exporter of the Year, Financial Services Advocate of the Year, Minority Small Business Advocate of the Year, Women in Business Advocate of the Year, Small Business Journalist of the Year, SBA Family-owned Small Business of the Year and others.

We know we have great small businesses and small business advocates here in the area – let's see if we can get one recognized at the National level during Small Business Week '05!!!

REVVED FOR SUCCESS

Adversity, commitment, determination, perseverance and tenacity are synonymous with Marlene Herman. Ms. Herman spent 25 years in manufacturing, but she couldn't seem to move far enough up the ladder even with long hours, hard work and many accomplishments.

So, in 1994, Marlene, along with a partner, joined together to acquire an existing AAMCO Transmissions franchise. Marlene worked hard to successfully overcome major challenges that arose as part of the acquisition.

Then in 1998, the business lost its lease and was forced to move. This is where the need for capital became critical. "I'm not sure we would be in business today if it were not for the assistance provided the U.S. Small Business Administration (SBA)" said Ms. Herman. "The SBA's Cleveland office explained in detail what was expected to obtain financing under the 504 loan program". With the assistance of a Bank One loan and the SBA 504 loan debenture in partnership with Growth Capital Corporation, a SBA 504 Certified Development Company, the business received funding to allow it to purchase the building within 30 days of applying.

Marlene also attributes her success to her dedicated partner, many business associates, friends and colleagues who lend advice and/or suggestions when necessary.

Marlene's AAMCO Transmission business at 14138 Lorain Avenue, Cleveland OH, is considered the "brain surgeon" in the business since transmissions are built completely in-house. Providing a quality repair and a National warranty are what place her company's services a notch above the rest. Most business comes from referrals. The business has local fleet accounts and was

awarded a contract with the City of Cleveland. In September of 2002 the company expanded and purchased a second location in Cleveland Heights. The business has gone from 2 full-time employees to 9 full-time employees.

Besides being able to compete and compete well in a nontraditional industry, some of Marlene's accolades include her AAMCO Transmissions' business being the 1st transmission repair shop in the State of Ohio to become AAA Certified by the Automotive Automobile Association (2002), being recipient of the 1st District Police/Community Relations Award (2002) and the recipient of Franchisor's Customer Service Awards yearly since 1994.

Even though Marlene wears many business hats, she still finds time to give back to her community. Her involvement includes being an 8 year member and past Director of the National Association of Women Business Owners (NAWBO), Cleveland Chapter, a Hard Hatted Women & Career Day Speaker, Advisory Board Member with Cuyahoga Community College, Parma, 2nd term Board of Trustees Vice-President of Kamm's Corners Development Corp., as well as serving in several capacities with the Council of Smaller Enterprises (COSE).

Report Identifies Underlying Factors Influencing The Small Business Economy In 2001-2002

Latest Update In New Series Sets Stage For 2003 Analysis

A new report released today by the Office of Advocacy of the U.S. Small Business Administration identifies the underlying factors influencing the United State's small business economy in 2001-2002. The report is the latest in the new Small Business Economy series from the Office of Advocacy. It sets the stage for the upcoming 2003 analysis, which will be issued in the early fall.

"The U.S. economy, and particularly small business, faced trying times in 2001-2002," said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. "In 2000 the late nineties' artificial high-tech bubble burst, and the economy tumbled into recession by early 2001. The shocks continued with the terrorist attack and corporate scandals. But, our economy showed its resilience as many economic indicators picked up in 2002."

The Small Business Economy: A Report to the President is a new series of annual reports on small business and its importance to the overall economy. The current edition focuses on the impact that the information revolution has on small business. It notes that "small business and technology are tied together" and that "the level of technology in the marketplace, and changes in technologies used, affect small businesses through barriers to entry and economies of scale."

The current edition of *The Small Business Economy: A Report to the President* presents an in-depth analysis of patterns in small business financing and of federal small business procurement spending. The report also contains a wealth of small business data in a series of detailed tables.

The Office of Advocacy, the “small business watchdog” of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For more information, visit the Office of Advocacy website at www.sba.gov/advo

IRS Contact Procedures

The following updates the contact points and telephone numbers for IRS Service Centers, which are to be used to request copies of IRS tax transcripts to verify business financial information included in SBA loan applications. This Notice applies only to the 7(a) and 504 Loan Programs.

Lenders are also reminded that all SBA 7(a) and 504 related requests for IRS tax transcripts must be submitted to IRS Service Centers using the new IRS Form 4506-T. A copy of Form 4506-T is available on SBA’s Intranet site (<http://yes.sba.gov/forms/>) and the SBA Banking site (<http://www.sba.gov/banking/>).

Please note that SBA’s logo must be included at the top of the form to ensure SBA related requests are expedited and to ensure there will be no charge for the transcripts. (IRS Form

4506, dated May 1997, has been revised and is to be used for other tax information requests, but not tax transcripts.)

Questions or concerns may be directed to Kay.O.Reid@irs.gov of the IRS at 843-317-6794, extension 25, or Len Fagan, SBA, at (202) 205-6301

Christina Pickett
P.O. Box 145500
Stop 2800F
Cincinnati, OH 45250
Phone: 859-669-2126
Fax: 859-669-3592

Small Business Laid Foundation For Job Gains

New Report Details Small Business Data For 2003

Conditions favorable for entrepreneurship in 2003 laid the foundation for the job gains of 2004, according to a new report issued today by the Office of Advocacy of the U.S. Small Business Administration (SBA). Small Business Economic Indicators for 2003 notes that “important economic indicators advanced throughout the year” so that “the outlook for future small business expansion was positive at the end of 2003.”

“Small business plays a key role in our economy,” said Thomas M. Sullivan, Chief Counsel for Advocacy. “Entrepreneurs launch new ideas and they propel our economy’s evolution. This dynamic risk-taking results in 60 to 80 percent of the net new jobs, so when economic conditions are favorable for growth, job gains are not far behind. That is exactly what has happened.”

The report compiles data that indicate the health of small business including macroeconomic statistics, financial information, employment data, and business births and terminations by state. The annual report makes the data available for economists, researchers, and policymakers in an easily accessible and useable spreadsheet format.

The report found that 2003 saw an estimated 572,900 employer firm births and 554,800 terminations. This dynamic resulted in a net increase in employer firms of 18,100, or 0.3 percent, while the number of non-incorporated self-employed rose by 369,000, or 3.7 percent. The report also confirmed that by year's end interest rates were low and banks had relaxed lending standards, which set the stage for an uptick in job creation and employment.

For more information and a full copy of the report, visit the Office of Advocacy website at www.sba.gov/advo

UPCOMING EVENT

Event: 2004 "Reeling in the Opportunities – Capturing Business in the Government and International Markets" Conference

Date: Tuesday, October 26, 2004

Time: 8:00 a.m. – 4:00 p.m.

Fee: \$65.00

Place: Marriott North, Columbus, Ohio

For conference information call:
Shantel Grigsby - 614-728-2689

For registration information call:
Ty Blume at 937-258-7267

[View Conference Agenda Click Here](#)

Purpose:

To address the challenges manufacturers have faced over the past five years by teaching how

to increase profits by expanding into the government and international markets. We will train you to navigate the current and cast your net.

Who Should Attend:

- Manufacturing Businesses
- Government Prime Contractors
- Federal government agencies
- Program Manager/End Users

Benefits for Small Businesses:

- You will be trained how to expand into government and international markets to position your business for future growth.
- You will have the opportunity to meet one-on-one with prime contractors to market your business capabilities.
- You will have the opportunity to conduct oral presentations to federal and international customers.
- You will receive valuable information on financing, shipping, office supplies and telecommunication services.

Prime Contractor/Agency Benefits:

- Meet the Players in the manufacturing industry in Ohio.
- Hear from top manufacture professionals on how they can service your agency in a special closed "Oral Presentation" session.
- Learn how to offer your products/services in the international marketplace.
- Receive a legislative update from the Governor's office on initiatives to help expand opportunities for Ohio manufactures.

SAVE THE DATE – MARK YOUR CALENDAR

Date: Tuesday, October 26, 2004

Time: 8:00 a.m. – 4:00 p.m.

Place: Marriott North, Columbus, Ohio